

LEARNING...IS OF THE...MARKET PLACE



A SHORT HISTORY OF THE
JESSE H. JONES GRADUATE
SCHOOL OF MANAGEMENT
RICE UNIVERSITY

Melissa Kean

Title taken from Edgar O'Neill Loyett's
1977 address to the Lumbermen's
Association of Texas



THE JESSE H. JONES GRADUATE SCHOOL OF
MANAGEMENT IS RAPIDLY BECOMING RECOGNIZED
AS ONE OF THE NATION'S PREMIER GRADUATE
BUSINESS SCHOOLS AND IS A CREDIT TO
THIS GREAT UNIVERSITY

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In 1977, when the first class of management students matriculated in the Jesse H. Jones Graduate School of Administration, as it was known then, the student population totaled fifty-five—twenty-three in the management program and thirty-two in the accounting program. Most of the students either had undergraduate degrees from Rice or were Houston residents with undergraduate degrees from other Texas universities. Ten full-time members and a few adjuncts constituted the faculty, and the facilities for the young school consisted of a few classrooms and offices in Herman Brown Hall. Despite its small size, however, the school set for itself an ambitious goal: to become the leading school of administration in the nation.

A quarter of a century later, the Jesse H. Jones Graduate School of Management is rapidly

becoming recognized as one of the nation's premier graduate business schools and is a credit to this great university. With a population of 350 ethnically and geographically diverse students in its full-time MBA program, the school attracts applicants from across the nation and from many foreign countries. The MBA for Executives program annually enrolls over one hundred students from the business community, who have been earmarked for leadership positions within their organizations. The faculty, which now numbers over eighty, excels both in teaching and in pathbreaking research on a wide range of management topics. The innovative curriculum serves not only to educate students in the theory and practice of management, but also through its Action Learning Projects, gives them opportunities to put their knowledge to practical use by solving problems in real-world situations. And the school's new 167,000-square-foot home, which opened in August 2002, contains state-of-the-art technology and resources designed to make learning and research a pleasure.

Much of the growth and innovation that has made the Jones School so successful occurred in the last few years. In the mid-1990s, soon after I became president, the university initiated an external review process to determine whether the Rice academic schools were realizing the potential for excellence that is so critical to a world-class university. The Jones School was the first to undergo the process. In the judgment of the external review committee, it was a good school, but one that did not fulfill its promise along a number of dimensions. The committee, however, believed that Rice and the city of Houston deserved a

truly excellent graduate school of management. A subsequent internal steering committee concurred with the findings and formulated recommendations for the school's revitalization, which included revising the curriculum, recruiting more students and faculty, and improving relationships with the corporate community. I realized that the critical juncture in such a revitalization was to attract an experienced and effective leader to serve as dean. We found that leader in Gilbert R. Whitaker, Jr., a Rice graduate who had transformed the University of Michigan Business School into one of the nation's best and subsequently served as that university's provost. At Rice, he elicited the enthusiastic support of the university administration, faculty, students, alumni, and the business community to craft that truly excellent school the external review committee believed Rice and the city of Houston deserves.

The opening of the new building marks a significant milestone in the Jones School's quest for national prominence. Bricks and mortar of course do not produce excellence, but the building represents the confidence the university, the Board of Trustees, and the business community place in the Jones School that it can reach that ambitious goal set twenty-five years ago.

MALCOLM GILLIS
PRESIDENT, RICE UNIVERSITY

1. Aerial view of
 the building
 under construction
 in 1934



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RICE UNIVERSITY IS IN MANY WAYS AN EXCEPTIONAL
INSTITUTION, ONE THAT CONTINUES TO REST FIRMLY
ON THE FOUNDATION LAID BY ITS FIRST PRESIDENT,
MATHEMATICIAN EDGAR ODELL LOVETT.

Lovett's ideas about the nature and purpose of the university, carefully arrived at through an astute combination of principle and empirical exploration, remain Rice's ultimate measure of success to this day. Lovett's vision of a university of the highest order has become Rice's key tradition—the institution has carefully chosen its endeavors and set about performing them to the highest standards. The Jesse H. Jones Graduate School of Management, though established two decades after Lovett's death, bears his imprint and shares that vision.

Along with his commitment to building an academic institution that would rank among the finest in the world, Lovett possessed a clear-eyed understanding of the importance of business to Rice's educational enterprise. Far from looking down on commerce, Lovett viewed a thriving business community as a prerequisite to Rice's success. In his eyes, Houston's dynamic commercial leaders were a prime source of the interest, energy, and money that the new institution would need to prosper. In May 1910, while still engaged in preparations for Rice's opening, Lovett spoke to a group of Houston real estate developers about this relationship, connecting the success of the

city's businesses to the success of the fledgling university: "I rejoice in the commercial prosperity of this community. I rejoice in the growing industrial development of this great city. Great merchants and captains of industry, whose interests extend far beyond their own immediate surroundings, are rendered by the character of their work alert, open-minded, hospitable to large ideas, accustomed to and tolerant of the widest divergences of view. For this reason it is that great trading centers have so often been . . . also centers of vigorous intellectual life."

Lovett's understanding of this relationship has been borne out over time. From the university's beginnings, its Board of Trustees has been composed primarily of Houston's business leaders, some with and some without direct educational ties to the university. Their leadership and their fortunes have been critically important in Rice's growth. Men and women such as George R. Brown, Gus Wortham, Oveta Culp Hobby, and many others gave generously to strengthen the institution, and many also contributed a broad view of the world to what might have become a provincial college.



MOST OF THE CIVIC AND
 COMMERCIAL LEADERS WHO SERVED
 AS RICE TRUSTEES SHARED A
 STRONG INTEREST IN THE WORLD OF
 BUSINESS AND STRONGLY BELIEVED
 THAT THE UNIVERSITY SHOULD
 BE TRAINING PEOPLE TO WORK
 IN THAT WORLD.

Not surprisingly, most of the civic and commercial leaders who served as Rice trustees shared a strong interest in the world of business and strongly believed that the university should educate young people to work in that world. Here too Edgar Odell Lovett, who began Rice's scholarly enterprise with an emphasis on the practical disciplines of the sciences and engineering, saw a clear connection between education and the larger needs of the community. Again harkening back to the past of higher education, Lovett noted in a 1911 address to the Lumbermen's Association of Texas that "the earliest medieval universities were professional and technical schools," and he contended that again today "learning . . . is no longer an affair of the cloister and the clinic alone; it is of the mill, the market place and the machine shop. . . . [The university's] business is to train efficient thinking men for the business of life."

The expansion of Rice's educational program to include specialized training for business careers thus seemed natural to many at Rice and in the Houston community. In 1958, George R. Brown, then chairman of Rice's board, suggested that the time might be right to start a business school at the university. President William V. Houston, the physicist who had succeeded Lovett in 1946, agreed that Rice should "develop slowly and steadily toward first-class work for students going into business whether or not we designate it specifically as a business school." Rice's energies, however, soon turned elsewhere, and for an understandable reason. University administrators set aside thoughts of a business school as Rice took on an important role in supporting the new NASA Manned Space Center in Clear Lake and after the early 1960s made a major effort to enhance the humanities and social sciences.

The idea of expanding business, accounting, and management course offerings to create Rice's first graduate professional school did not remain dormant for long, however. In the mid-1960s Rice's new president, chemist Kenneth S. Pitzer—who took office July 1, 1961—mapped out a ten-year plan for moving Rice into the top rank of American academic institutions. Largely because of the deep



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1. Edgar Odell Lovett
2. George R. Brown
3. Registration day for the first Rice Institute students, Sept. 23, 1912
4. Academic procession at the first commencement, 1916
5. Edgar Odell Lovett, left, with William Vermillion Houston

Exhibit Page

Rice's first faculty with board members, 1912



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interest of several Rice board members, most particularly Gardiner Symonds (who was chairman of Tenneco at the time), Pitzer included an announcement of Rice's intention to establish a graduate school of management.

This decision was spurred by Pitzer's recognition of a new reality in the world of business and a new opportunity for Rice to meet the needs of both the larger community and its students. In the mid-1960s the pace of social and economic transformation seemed to accelerate dramatically. Rapid advances in science and technology were increasing the size, complexity, and sophistication of public and private institutions and at the same time these institutions grew more closely intertwined. Rice's reputation for insularity—its undeniable tendency to seem isolated "behind the hedges"—was a liability in this new environment. Pitzer strove to change this perception by involving the university more actively in the world beyond the campus, reaching out to serve the needs of the wider community. Of no small concern was the marked improvement in Texas's state universities and the growing competition for the region's best students and faculty.

The decision to create a graduate business school at Rice was influenced by all these considerations. Pitzer and the Rice board believed that the Houston community needed first-rate training for business. They also believed that if they did not provide it, someone else would. At the same time, the managerial function itself was steadily becoming both more intellectually demanding and more critical to the success of businesses, government, and public organizations. As Houston and the Southwest attracted an increasing number of large corporations, many Rice graduates trained in technical fields went on to serve as managers within them, but they either did so without formal training or had to go elsewhere to get it. Both they and the institutions that employed them would benefit from the presence of an elite management school in Houston.

Almost as soon as Pitzer arrived at Rice, he began exploring, with the help of faculty members Franz Brotzen in the department of mechanical engineering and David Brothers in economics, the possibilities for structuring a program to meet these needs. Although these

early efforts stalled, in April 1965 President Pitzer named a committee, chaired by Professor Ferdinand Levy of the department of economics and business administration, to study how such a school could best be integrated into Rice. From the beginning, everyone involved anticipated that any business school at Rice would be different from the standard model. The committee quickly developed a blueprint for a small, elite school with highly qualified students (about one hundred entering annually into a two-year program). The curriculum was designed to impart general managerial skills adaptable to all types of enterprises through coursework in the basic disciplines underlying management and the use of quantitative analytic tools. The new school was to be financially self-supporting.

President Pitzer and the Rice board addressed the issue of financial resources by including a goal of an \$8.5 million endowment for the new business school when Rice launched a \$33 million capital campaign in early 1965. Although the \$33 million campaign was ultimately successful, it did not raise enough to start the graduate management school before Pitzer's resignation in 1967. Still, the groundwork was well laid. In particular, an important gift came from the Houston Endowment, the foundation established by prominent Houston businessman and public servant Jesse Holman Jones, which donated \$500,000 to establish the Jesse H. Jones Chair in Management.

After Pitzer's departure, there were several years of rapid change in Rice's governance. The business school project was never abandoned—both the executive committee that administered Rice in 1968 and Acting President Frank Vandiver in 1969 supported it—but continuing uncertainty at the top, coupled with severe financial problems, prevented any action. With the arrival of chemist Norman Hackerman as Rice's new president in 1970, though, the project began moving forward. The Graduate School of Management Planning Committee, still in existence and still chaired by Ferdinand Levy, approached the president about the project soon after Hackerman's arrival on campus. Finding renewed interest among board members, Hackerman directed the committee to redraft the proposal for a management school.



George F. Kennan

DEAN
ROBERT R.
STERLING
1976-80
LEAVEL



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1. Robert R. Sterling, Dean
1976-80

2. Ferdinand Levy

3. Jesse H. Jones

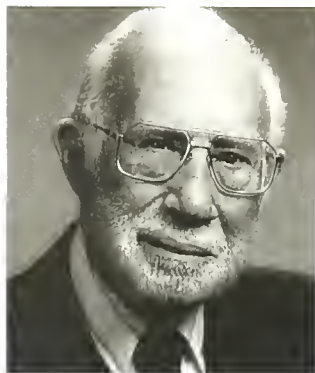
4. First Council of
Overseers: seated, Vivian
Smith and Vernon F.
Neuhaus; standing left
to right, J. Hugh Liedtke,
Robert R. Sterling (dean),
Ralph S. D'Connor, M.A.
Wright (council chair), E.
D. Butcher, and William
P. Hobby; not pictured
Benjamin N. Woodson

5. Benjamin N. Woodson,
a member of the first
Council of Overseers

6. Norman Hackerman



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One of Rice's trustees, Hugh Liedtke (CEO of Pennzoil), was actively involved in articulating a vision for the school. Liedtke, along with Hackerman, conceived of the new school in broad terms that were largely consonant with the committee's original plans but with a stronger emphasis on the context of management. The two were especially concerned with integrating the study of regulatory and administrative law into the curriculum, providing students with an in-depth understanding of the powerful impact of government on business decision making. To this end, the committee even discussed the possibility of establishing a law school and offering joint training in business and law, although this option was quickly rejected in favor of a revised plan for a management school with a public policy focus.

Attention turned once again to raising enough money to get the school off the ground. In 1974 Hackerman and the board reactivated the effort to fund a separate endowment—their goal now \$10 million, enough to maintain ten to fifteen full-time faculty members. This time success came more quickly. The critical development was the decision of the Houston Endowment, headed by Howard Creekmore, to give \$5 million towards the establishment of the school. Creekmore's intent was to honor the memory of Jesse Jones, one of Houston's most important business and civic leaders and the founder of the Endowment, and to continue Jones's contributions to the business community through the education of new generations of students. Although the business school's endowment would not be fully funded for a few years, with this gift as a vote of confidence Rice quickly raised enough money to begin moving forward with plans for the school. The Rice board named the new school the Jesse H. Jones Graduate School of Administration.

In the summer of 1974 Rice began the search for the Jones School's first dean, a crucial step in the implementation of planning efforts. The job of building a graduate business school from scratch, especially one for which expectations were so high, was daunting and the search was not easy. Finally, the committee chose Robert R. Sterling, already at Rice as the

first Jesse H. Jones Professor of Management and chairman of the accounting department (as well as the chairman of the search committee itself). He was named dean in April 1976.

Dean Sterling identified clear and ambitious goals for the Jones School. In keeping with the Rice tradition of academic excellence, the school's overarching aim was to become recognized as "the leading school of administration in the nation." In keeping with the original notion of slow but steady development, Sterling planned to pursue this goal through a strategy of orderly expansion. The long-range plan focused first on the development of the master's program, then the creation of an executive development program, and finally, institution of doctoral studies. The school would build a national reputation by first building a regional one, working outward from its base in Houston to establish leadership in Texas, then the Southwest, and eventually break into the national elite.

Behind the scenes, there was a flurry of activity in support of the new school. In 1977 a new organization, the Council of Overseers of the Jones School, began meeting. This new group joined the already existing Rice Accounting Council as a valuable connection between the Houston business community and the young school. The original group of eight prominent Houston business people, led by Chairman Mike Wright (CEO of Cameron Iron Works), began a tradition of close involvement with the policy issues facing the school. (The group later expanded to fifteen members and currently has forty-four.) The council's task was to assist in "matters pertaining to the budget, senior personnel, programs, and curricula" of the school, presenting its advice to the administration and board of Rice University. In this early period, their immediate goals were two: to get the school off to a sound beginning with a coherent curriculum and to build on the Houston Endowment's \$5 million gift to raise the endowment to levels adequate to support the school's ongoing expenses.

With the assistance of Rice University Vice President William W. Akers and Rice's development office, the council began identifying and approaching prospective donors in May 1977. In the fall, Hackerman, Akers, Hugh Liedtke, and Council Chairman Mike Wright

began soliciting major corporations in earnest, traveling to the east coast to meet with executives and foundation heads. By the end of the year the endowment stood at around \$10 million and three new endowed professorships had been added to the school.

An innovative curriculum for the new school was also developed. When the first full class of students matriculated in the fall of 1977, they could choose between two professional degrees, the Master of Business and Public Management (MBPM) and the Master of Accounting (MAcco). The common objective of both programs was to prepare students broadly, enabling them to assume senior positions in industry, government, or nonprofit organizations. The Jones School's faculty and administration designed the MBPM along the lines originally envisioned by Rice board member Hugh Liedtke and President Norman Hackerman. The notion of marrying fundamental management theory with the complex institutional, legal, and regulatory reality that confronts practicing managers lay at the heart of this program. The resulting curriculum was designed to cover all the basic aspects of management, both public and private, and included courses in law, organizational behavior, and public management. It recognized the complicated environment confronting the next generation of managers, including substantial government involvement, the internationalization of the marketplace, and the growing use of computers. The core curriculum was intended to promote the transfer of management skills from the private to the public sector and to acquaint private sector managers with the role and problems of government and regulators, whose decision making is essentially political.

The MAcco curriculum had a strong foundation in Rice's already outstanding accounting program. Before the Jones School opened, the university offered a five-year program in accounting that led to a master's degree. (The students who completed this course in May 1976 were officially the first class to graduate under the banner of the Jones School.) As responsibility for the MAcco degree shifted to the Jones School, a second year was added to the accounting program and its students were required to take courses in general management, focusing on the role of accounting in

the planning and control of organizations. By applying accounting theory to important policy issues and managerial problems, the school sought to extend its philosophy of preparing students not only for traditional positions as partners in accounting firms and controllers, but also for senior leadership roles in public and private organizations. The school subsequently (but only briefly) offered a Ph.D. in accounting, but this program was very small (intended for no more than three students per year). Plans called for the addition of a similarly small Ph.D. program in management at some later time.

Another important early step was the establishment of the Office of Executive Development. Its first director, Salvatore E. Manzo, was charged with developing a high-quality program of continuing education for the Houston business and professional community. Offerings began in September 1978 with a short seminar on management and financial planning and soon expanded to include short courses on topics in all areas of management as well as special events like the Houston Entrepreneurship Conference. These courses, designed to help practicing professionals stay abreast of current thinking, showcased the Jones School and its faculty and generated revenue for the school and additional compensation for the faculty.

From the beginning, Dean Sterling understood that he would have to grapple with serious problems. First, as a new entity within the university the Jones School had to make a place for itself in an already well-established system. Assimilation was made difficult by the fact the Jones School was Rice's first purely graduate professional school. With no law or medical schools at Rice, no clear role was available for the management school to simply step into, and the attitude of the rest of the campus towards professional education might be termed skeptical at best. In addition to making a national reputation, the Jones School had to meet appropriate expectations of intellectual rigor on its own campus before it could claim a real home at Rice.

The school also faced serious financial challenges. While its endowment was adequate to get off to a good start, the Jones School's ability to evolve into a top business



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1. Reception area in Herman Brown Hall, home of Jones Graduate School in 1977



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2. William E. Simon, Jones Graduate School inaugural dinner keynote speaker, and Norman Hackerman greet guests at a reception preceding dinner on May 2, 1978.

3. Robert R. Sterling, Mrs. M. A. Wright, M.A. Wright, and Mrs. Norman Hackerman receive guests.

4. First class of management students, who entered in 1977



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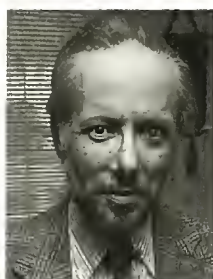
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HERMAN BROWN
HALL, JONES GRADUATE
SCHOOL
RECEPTION
FIGHTING THE
SILVER

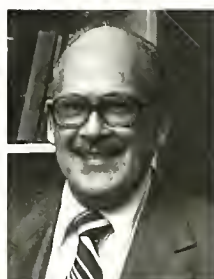
EARLY FACULTY AND STAFF



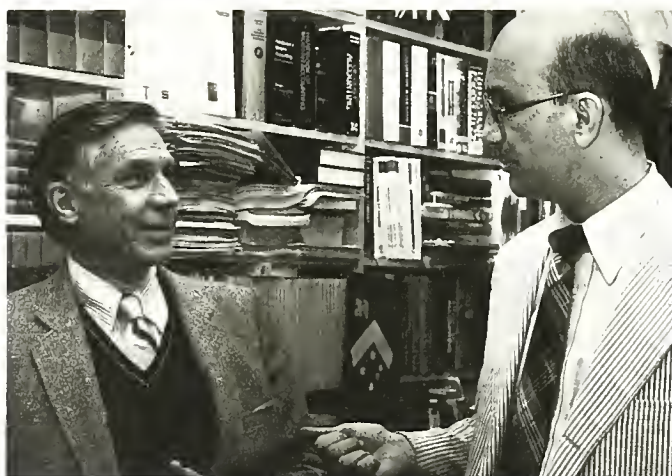
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1. Todd Johnson
2. Art Thomas
3. Edgar Edwards
4. Philip Bell and Stephen A. Zeff
5. Admissions Director Joseph Buccheri
6. Francis D. Tuggle
7. President George H. W. Bush was an adjunct professor in 1977.
8. Duane Windsor

school depended on both substantial growth in that endowment and a steady increase in revenues from student tuition and fees for executive education courses (a substantial proportion of which had to be returned to the university for administrative costs). Fundraising continued to be a preoccupation, and one of the school's biggest challenges would become finding a way to increase significantly the number of students while maintaining Rice's traditional high standards. Classes began with fifty-five students in 1977: twenty-three were candidates for the MBPM and thirty-two were enrolled in the MACco program. The school planned to admit up to fifty candidates each year in each program, but with rigorous entrance requirements it would take years to reach this level. Again, the emphasis remained on slow but steady development.

As the number of students increased, the school would have to hire more faculty and offer more courses. In turn, the ability to recruit this additional faculty depended on raising more money, either from increases in the endowment or from higher tuition revenues. In order to make these things happen, the Jones School had to have a highly competent staff. While financial constraints kept the school somewhat understaffed in its early years, it did have capable administration. In addition to Dean Sterling, Francis (Doug) Tuggle, who initially came to Rice as a visiting professor, returned in 1978 and became the school's first associate dean. In 1978 Duane Windsor, a management faculty member who had joined the school in 1977 and served as assistant to the dean, was appointed assistant dean for admissions and placement and head of the MBPM program. An accounting faculty member, Todd Johnson, directed the MACco program. Using faculty members to perform such tasks as coordinating admissions, placement, and academic programs served to keep administration in the hands of people who were knowledgeable about the school's teaching and research needs and capabilities, but the lack of adequate professional staff certainly hindered efforts to recruit and place students. There simply were not enough resources to pay full-time professional staff right away, but additional help was gradually added. In 1979 a full-time director of admissions and student affairs, Joseph R. Buccheri, was appointed.

Another factor that contributed to the school's problems, even as early as 1978, was space. Originally housed in Sewall Hall (along with another new addition to Rice, the Shepherd School of Music, and the social sciences), the Jones School soon moved to part of Herman Brown Hall, where the plan was for it to acquire more space as the number of students and faculty grew. Predictably, it soon became apparent that although the Jones School was indeed growing, no further room in Herman Brown would become available. The struggle to find enough space for offices and classes pressed constantly during the school's early days. Within only a few years the Council of Overseers began discussing the possibility of a major expansion of physical facilities.

In July 1980 Bob Sterling left the Jones School. In his four years as dean the school made a strong beginning. The student body grew from nineteen accountants—all with undergraduate degrees from Rice—to about eighty, attracted from universities across the nation and abroad. The faculty increased from seven (three full-time and four part-time) to twenty-six (thirteen full-time and thirteen part-time). The endowment also grew, reaching \$14 million, and seven endowed professorships had been given to the school. Generous friends of the Jones School had also initiated a Sponsors Program to help provide current monies for the school's research and educational mission. The Jones School was in a good shape, with an excellent faculty, good students, and adequate funding. From a standing start it quickly became a good school and began to build a reputation in the Houston area. Its high ambitions for national prominence, though, were far from realized, and new leadership was needed to bring about significant progress.

ATTACKING THE PROBLEMS

With Sterling's departure, the Jones School began a second phase, which would last through the next fifteen years and the next two deans. Early optimism and energy gave way to the realization that there was no easy road to prominence. The problems that presented themselves from the beginning would prove frustratingly intractable. The school would have to struggle within persistent constraints to

DRUGS & LINGUISTICS
SPEECH STIMULUS



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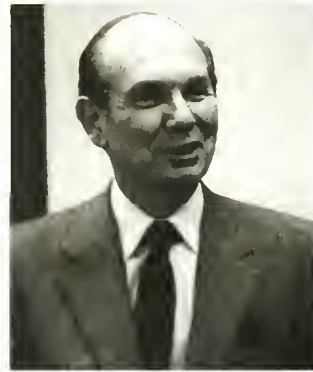
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1. Allan Gilmour, Executive Vice President and Chief Financial Officer, Ford Motor Co. (1986)
2. Abby Joseph Cohen, Vice President and Co-Chair of the Investment Policy Committee, Goldman Sachs & Company (1991)
3. David Glockley, General Director, Houston Grand Opera (1981)
4. Kay Bailey Hutchinson, Senior Vice President, Republic of Texas Corporation (1981)
5. John Mackey, Founder of Whole Foods Market (1989)
6. Linnet Deilly, President and Chief Operating Officer, First Interstate Bank of Texas (1989)
7. Ben Love, Chairman and Chief Executive Officer, Texas Commerce Bancshares (1981)
8. Douglas Daft, Chairman and Chief Executive Officer, Coca-Cola Company (2000)
9. John Bookout, President, Shell Oil Company (1978)



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1. Percy Creuzot, President, Frenchy's Restaurants (1985)

2. Marc Shapiro, Vice Chairman of Finance, Risk Management, and Administration, J.P. Morgan Chase (2000)

3. Michael Blumberg, Founder and President, Bloomberg Financial Services (1999)

4. Jeff Bezos, Founder and Chief Executive Officer, Amazon.com (2001)

5. Jim Turley, Global Chairman, Ernst & Young (2001)

6. Orayton McLane, President and Chief Executive Officer, McLane Company, and Owner, Houston Astros Baseball Team (2001)

7. Gordon Bethune, Chairman and Chief Executive Officer, Continental Airlines (2000)

8. C.K. Prahalad, Harvey C. Fruehauf Professor of Corporate Strategy, University of Michigan, Ann Arbor, delivered the W. Oscar Neuhaus Lecture on October 19, 2001. The topic of his lecture was "Serving the Poor is Good Business."



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improve at all. Although the next dean, Doug Tuggle, had served as the Jones School's associate dean since 1978 and had been interim dean in the 1980-81 academic year, his term was notable for change rather than continuity. Tuggle understood the serious problems that the school still faced and began moving in different directions to try to solve them.

Indeed, despite the generally good state of affairs in 1981, the Jones School still wrestled with the same set of mutually reinforcing problems that had arisen from the start. As an institution with extremely high aspirations, it had simultaneously to supply an innovative curriculum, hire first-rate faculty, reach out to the local and regional business community, attract top students, and, most critically, raise enough money to accomplish all these tasks in the fastest possible time while struggling with the fact that it had no separate reputation beyond that provided by Rice's imprimatur.

Actively working to increase the endowment was an important part of the solution, but the truly crucial need had become the recruitment of a substantially larger student body. Although the students at the Jones School were highly qualified, there were simply not enough of them. Low enrollments now created two problems for the school, which then combined to create a knot that was very difficult to cut. First, low enrollment led to stagnant revenues. Without enough tuition income, the school could not hire enough faculty to offer as many courses as larger schools or to create coherent research specialties. It could not expand its cramped facilities. It could not fully staff its administrative offices with first-rate professionals. Endowment growth alone was simply insufficient to these tasks. Second, and perhaps more important, the small number of graduating students hampered the school's ability to cultivate national prestige. Without enough students to make an annual recruiting trip worthwhile, many of the best and most exciting companies in the country automatically left the Jones School off their list of places to look for new employees. Although the school's placement record was good in Houston and the Southwest, it understandably failed to make significant inroads in other parts of the nation. Even in its own region, the school had not graduated and placed enough students

to create significant awareness of its merits or an effective alumni network. In a truly circular fashion, this situation made it yet more difficult to attract good entering students, the source of the problem in the first place.

Tuggle approached this knot of problems with several sensible steps. First, the school began to systematize and expand its placement efforts. Up to this point, lacking enough resources to handle the job itself, the Jones School had relied heavily on the overburdened university placement office, supplemented by faculty and student efforts. The first major step forward was taken in 1982, when the Jones School opened its own placement office with a full-time officer, Emily Canales. She vigorously set about building an efficient alumni network, attracting commitments from corporations for summer internships, securing an on-campus interview schedule that included employers from both the Houston area and other sections of the country, and assisting students with preparing resumes and developing interview skills. As the 1980s progressed, this job was made even more difficult by a softening economy in Houston and the rest of the United States, which contributed to a perceived glut of MBAs. Placement woes extended even to the top echelons of business schools as the numbers of companies chasing recent business school graduates began a precipitous decline. In this climate, the Jones School's modest success was still far from enough to bring businesses based outside the Houston area to campus.

Dean Tuggle and the Jones School faculty also began to address another critical component of the enrollment problem—the MBPM program itself. The MBPM curriculum as envisioned by the Jones School's founders, with its emphasis on public policy and regulatory law, while sound intellectually, simply did not draw enough students. By and large, students attend business school in order to further their career opportunities. As they are deciding which school to attend, they naturally consider where they would like to work after graduation. By the early 1980s it was clear that most companies wanted to hire students who had been trained in a more traditional way and most talented students reasonably concluded that having an MBA rather than an MBPM

DEAN FRANCIS D.
TUGGLE, FIDELITY
AND SEYMOUR

1. Francis D. Tuggle, Interim
Dean 1980-81, Dean
1981-87

2. Covey Oliver, Radoslav
Tsanoff Professor and
former Dean of University
of Pennsylvania Law
School and former U.S.
Ambassador to Colombia

3. Placement Director Emily
Canales

4. Richard R. Batsell

5. Donald Jones, visiting
professor of ethics

6. Bala Dharan

7. Ed Williams

8. George Greanias



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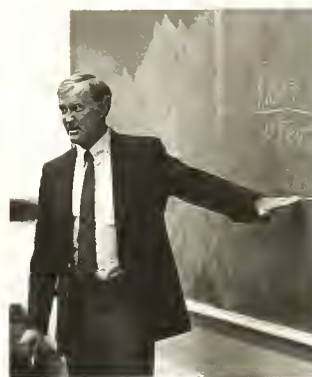
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1. 1982 A&M Case Competition. Front: Mike Natelson ('82) and Pam Reiland ('82); rear: Faculty Sponsor Briance Mascarenhas and Jim O'Sullivan ('82)

2. 1983 A&M Case Competition. Faculty Sponsor Ronald N. Taylor, Martin O'Malley ('83), Jan Remak ('83), and Robert McKinnell ('83)

3. 1985 Philip Morris Graduate Marketing Competition. Faculty Sponsor Richard Batsell, Jan Remak ('85), and Kumar Sivakumar ('85)

4. 1989 Apple-University Advanced Marketing Project Contest. Mark Davis ('89), Julian Samuel ('89), Veena Nayar ('89), Mario Vera-Iberria ('89), and Steve Finger ('89)

5. 1984 Mid-South Case Competition. Front: Faculty Sponsor Ronald N. Taylor, Tom Bacon ('84), Flint Brenton ('84), Rachel Perling ('84), and Faculty Sponsor Linda Oriskill; back: Admissions Director Joseph Buccheri, Robert Royall ('84), Jennifer Stepler ('84), David Peterson ('84), Abhay Padaonkar ('84), and Faculty Sponsor Duane Windsor

6. 1997 Metro Marketing Contest. Front: Mary Bourne ('87), Nancy Olson ('87), and Beth Podol ('87); back: John O'Connor ('87) and Bill Jones ('87)



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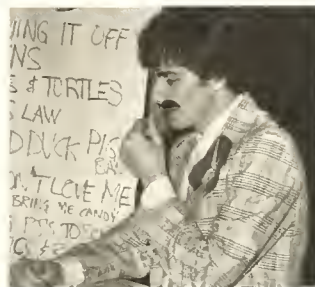
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1. Marilyn Miller ('85) as Muffie shows off her jewels.
2. Mary Bourne ('87) gives advice on how to navigate Herring Hall's rush hour traffic.
3. Bonnye Karger, secretary to the dean, accompanies herself as she sings her own composition about the Jones School.
4. Troy Carr ('86), Mike Bullington ('86), and Caroline Williams ('86) demonstrate the latest in communication technology.
5. Rick Reinhard ('82), Pam Reiland ('82), Steve Share ('82), and George Keegan ('82) impersonate Admissions Director Joe Bucccheri, Dean's Secretary Bonnye Karger, Dean Doug Tuggle, and Associate Dean Duane Windsor.
6. Professors Bill Wilson, Richard R. Batsell, and Cliff Atherton strut their stuff.
7. Bill Hughes ('85) sings a plaintive ballad about life at the Jones School.
8. Tom Bolt ('85) explains the Jones School vocabulary.

ROBERT R.
HERRING HALL
DEDICATION



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1. Overview of dedication ceremony
2. Mr. And Mrs. Sam Douglass, donors of Herring Hall courtyard
3. Ralph S. O'Connor, donor, with Maconda O'Connor, of the Business Information Center
4. Randolph Herring, Diane Herring, and Robert R. Herring, Jr., children of Robert R. Herring with his portrait, which hangs in Herring Hall
5. Francis D. Tuggle and Josephine Abercrombie, chair of the University House and Grounds Committee, cut ribbon to officially open Herring Hall.
6. Herring Hall facing College Way

would enhance their employment prospects. In response, the Jones School began shifting its curricular emphasis. As the faculty slowly grew in number, new hires were made in the key fields of finance and marketing. These fields are part of most business school curricula, usually offered as areas of concentration within the general course of study. At Rice, however, the early emphasis on accounting and general management within a broad policy context had left these fields underrepresented until the 1980s. Because of limited resources, it was necessary to build the new faculty in stages. From this time on, though, course offerings in finance and marketing continued to expand. Although the program retained a distinctive emphasis on the legal and governmental environment of business (and gained a new emphasis on the role of ethics in management), it slowly lost its intense focus on public policy. This new direction culminated in fall 1985, when the university faculty approved a change in the degree granted by the Jones School from Master of Business and Public Management (MBPM) to Master of Business Administration (MBA). The change became effective with the class graduating in spring 1986. Alumni who graduated before 1986 were permitted to change the designation of their Rice degree to the MBA if they so desired. Although this change in orientation led to a loss of interest in the school on the part of some of those Rice leaders who had been instrumental in its creation, it set the stage for future growth that was critical to enhancing the Jones School's national position.

The completion in 1984 of a new home for the Jones School, Robert R. Herring Hall, also seemed to open the door for new growth. Dean Tuggle, the Rice administration, the Council of Overseers, and the Rice board had all recognized the need for the school to move out of its badly overcrowded space in Herman Brown Hall and into a building of its own. The Council of Overseers, together with Rice's development office and senior administrators, began a major push to raise the \$10 million needed for the new building and an endowment for its maintenance. Again, the Houston business community responded generously. Designed by Cesar Pelli, the 50,000-square-foot building was equipped with classrooms of varying sizes, a 230-seat

auditorium, offices, study areas, and research and support facilities, including the Business Information Center, which housed the management and accounting library. Herring Hall's size, planned to accommodate two hundred master's students and an expanded faculty in state-of-the-art facilities, would allow the Jones School the room to pursue more aggressively growth in its degree and executive development programs.

Slowing Momentum

In 1985, George Rupp, a theologian from the Harvard Divinity School, succeeded Norman Hackerman as Rice's president. Soon after his inauguration, in an address at the annual dinner of the Jones School's alumni, Rupp discussed his view of the school's role on campus. While Rupp recognized that the Jones School had achieved a great deal in a short time, in a harbinger of more difficult times ahead he stressed that he believed there was only a limited place in the life of the university for graduate professional education. While Rupp certainly did much to transform Rice University for the better, his more constrained vision of the Jones School's future made it far more difficult for the school to expand and improve. A flex-time MBA program was instituted in fall 1986 for working students, who attended regular classes two afternoons a week for three years. But resources were increasingly hard to come by and, perhaps even more important, the Rice administration was simply focused on other things. In any event, it was in an environment of a diminishing rate of gains that Doug Tuggle left the Jones School deanship to return to teaching at the conclusion of the 1986-87 academic year.

In September 1987, Rice chose Benjamin F. Bailer as the new dean of the Jones School. Bailer's background was in private industry and government. He had held senior executive positions in several major corporations, and from 1972 to 1978 served in the United States Postal Service, for three years as postmaster general. Rice's search committee found this background especially appropriate given the Jones School's interest in educating students for both private and public sector careers. During Bailer's tenure, the

Jones School tried to continue along a path of gradual growth in the quality and numbers of students and faculty, but efforts to improve the school were hampered on several fronts. Most important, lack of strong support from the Rice administration made the dean's job much more difficult. In the late 1980s the Jones School was simply not a high priority on campus, and the school began to suffer for it.

That is not to say that nothing happened. Through the early 1990's, the Jones School continued to offer a good program and made important steps forward. It continued with a broad-based MBA program, and second-year electives evolved to reflect the interests of the faculty and the desires of the students. (For example, during the late 1980s and early 1990s, the most popular areas of second-year concentration remained finance, marketing, and accounting, but course offerings expanded to include current topics such as managing technologically oriented businesses and health care organizations.) The number of courses offered in both the master's programs and in executive development programs expanded and their content changed to meet the needs of the students and the community. In recognition of the need for engineers to develop the skills to manage successfully in a technology-driven economy, the Jones School and Rice University's George R. Brown School of Engineering began to cooperate in 1990 to offer a joint MBA/Master of Engineering. The Jones School's students performed well and accepted good jobs, though still mainly in the Houston area. A concerted effort to increase the endowment received a major boost in 1991, when the Houston Endowment gave the Jones School a gift of \$10 million, continuing its steadfast support of business education at Rice.

The essential fact remained, however, that in spite of these improvements the Jones School was nowhere near what it was originally intended to be, and without the vigorous support of the Rice administration it seemed destined simply to spin its wheels. Throughout the early 1990s the school's stringent admission standards and continuing placement problems made it difficult to achieve the desired class size of around one hundred new students each year. A highly competitive national market for outstanding faculty, the still limited resources

at the school's disposal, and the Jones School's lack of a prestigious national reputation made recruitment an uphill battle. Expensive infrastructure improvements were needed—library holdings were far inferior to those of elite business schools and computer facilities were inadequate.

Overall, the major advances that would bring the school to the level of elite business programs simply had not happened. And, ominously, the school seemed about to slip backwards in the face of intensifying national competition. By middle of the 1990s there was a pronounced downward trend in the number of applicants at the same time that enrollments were increasing. The school's ability to retain full-time faculty had also begun to degrade. While many of the untenured faculty had built strong teaching records, some lacked a track record of significant research. Further, the school's still small size, coupled with its commitment to offering a full, competitive program, forced it to hire more part-time faculty members. The presence of so many adjunct faculty, although they were often effective teachers, further compromised the school's research function, increasingly one of the most important measures of national prestige. Concern rose, both on and off campus. In 1993, the school's faculty and administration began to address their sense that it was time for dramatic change by working on an updated curricular philosophy.

Also in 1993, Rice welcomed its sixth president, Malcolm Gillis, an economist from Duke University. Gillis arrived on campus determined to reexamine Rice's role in society and to redefine its mission in order to meet the needs of a rapidly changing world while remaining true to its founding principles. In his inaugural address he described fundamental transitions working their way through the world: revolutionary changes in science and technology; major demographic shifts; the globalization of the economy; and geopolitical realignment. The pace and scope of contemporary change, he argued, made it mandatory that Rice step forward to serve its community in new ways.

1. Benjamin F. Bailar
Dean 1987-97



2. George Kanatas



3. Standing: Steven Peterson ('92) and Samantha Varney ('92); seated: Daniel Mangelsdorf ('92) and Tom Samuels ('92).



4. Steve Russo ('93), Mark Tawney ('93), and John Jacobs ('93) proposed a student-run investment fund which became the M.A. Wright Fund.

5. Brad Bynam ('97), first chief investment officer of the M.A. Wright Fund, with Professor David Ikenberry, who designed the course to manage the fund.



6. Officers of the M.A. Wright Fund, Jeremy Chio ('01), far left, Steve Harris ('02), left foreground; and Ross Morgan ('01), fourth from left in foreground, opened trading at the Nasdaq stock exchange on April 30, 2001. The team won in the value category of the Redefining Investment Strategy Education Symposium sponsored by the University of Dayton and investment institutions and corporations. The competition was open to business schools with student-run investment funds.



DAVID IKENBERRY, F
BARRY T. HENRY
STEVEN PETERSON
AND SAMANTHA
VARNEY

INVESTITURE



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1. Mike Heffner ('81), Sara Hill ('81), and David Huffman ('81) enter Sewall 301 as they participate in the school's first investiture ceremony.
2. Jerlyn Mardis ('82), Jennifer Westbury ('82), and Pam Reiland ('82) prepare for investiture.
3. Faculty members Stephen Zeff, Cliff Atherton, Ed Williams, and Ronald Taylor and Admissions Director Joseph R. Buccheri participate in 1983 investiture ceremony in Rice Memorial Center Grand Hall.
4. M.A. Wright presents Amanda Simons with the Mike Wright award at 1985 investiture.
5. Members of the class of 1986 march to their seats in the Herring Hall Courtyard.
6. Bryan Haase celebrates with his daughter after 1987 investiture.
7. Dean Benjamin Bailar invests Jenna Anderson with her hood in 1988.
8. Class of 1993 poses for photo in Alice Pratt Brown Hall, where the school now holds its investiture ceremony.

President Gillis's concern that Rice address the shifting needs of the community meshed with the growing sense that the Jones School needed to transform itself. Dean Bailar argued in a 1995 paper entitled "Recognition for Excellence" that the time for more ambitious growth in size and research capability had come. Without a renewed commitment of money and support, he believed, the Jones School would now begin to lose significant ground. In 1996 Gillis acted, authorizing a thorough external review of the school. The review committee, composed of nationally prominent business educators and representatives of major businesses, studied materials and visited the school in April of that year. The committee's report, issued soon after, was a clear and strongly worded call for major changes at the Jones School. Its conclusions and recommendations had a familiar ring, echoing Bailar's reasoning in his "Recognition for Excellence." While underscoring that the school "represents a glittering opportunity in management education," the report flatly stated that after twenty years it had not come close to realizing its great potential. The school's many advantages—Rice's reputation, the dynamic Houston business community, the lack of strong competition in the region, and the opportunities for cross-disciplinary endeavors both within the university and with other regional institutions—had not been exploited. To simply continue the status quo, the committee argued, was no longer an alternative: "The school is now on a plateau, and may even be declining." Too few good students applied, the placement program remained too local, starting salaries for graduates were lower than at the top schools, and dissatisfaction was growing among alumni, faculty, and the Rice community as a whole.

The committee presented two clear alternatives. "Either Jones must embark on a course of becoming recognized for world-class distinctiveness and quality in management education, or it should decide to close the doors." The reviewers left no doubt which course they hoped Rice would choose, noting that both the university and the city of Houston deserved a truly distinguished school of business. The way to begin building one, they argued, was

through candid internal assessment of the school's current state and a concomitant process of articulating a strategic vision for the Jones School's future.

In July 1996 President Gillis responded decisively by appointing a Jones School Steering Committee, chaired by Provost David Auston and drawn from the school's various constituencies, including faculty, students, administrators, alumni, members of the Council of Overseers, and business leaders. Gillis charged this group with formulating a mission for the school and a plan for its growth into an elite program. In March 1997 the final draft of the Steering Committee's mission statement and recommendations was released. This document was upbeat about the school's potential, though sober about the challenges ahead. It noted that developing the Jones School into a top national business program was an achievable goal but one that would require significant financial investment and concerted energetic effort in a period of increasing competition among MBA programs nationally. In short, rapid structural changes in the way the school functioned—in the way it recruited students and faculty, in its curriculum, in its research capabilities, and in its relationship with the corporate world—were needed to create a strong core program that took advantage of the school's unique situation.

ACQUIRING PURPOSE, EXCELLENCE

With major changes now planned, Dean Benjamin Bailar retired after a decade of service. It was a logical time for new leadership at the Jones School. The man selected to provide it was Gilbert R. Whitaker, Jr., formerly provost at the University of Michigan, who as dean of the University of Michigan Business School for nearly twelve years had transformed that institution into one of the top schools in the nation. Whitaker, a 1953 Rice graduate, had been a member of the 1996 external review committee and thoroughly understood the challenges facing the school. Dean Whitaker moved to meet those challenges, immediately bringing a new energy and sense of excitement to the Jones School.

In remarks to Houston business leaders early in the fall of 1997, Whitaker sketched the outlines of a strategy to propel the Jones

School into national prominence. He articulated a clear, measurable goal: to be ranked as a top-ten business school within ten years. In order to accomplish this goal, Whitaker argued, the circular pattern of problems that arose from the school's too-small size must be broken. The recruitment of substantially more and better faculty was a crucial step. The production of pathbreaking scholarship, coupled with great teaching, would enhance the school's reputation for intellectual rigor and help attract more of the best students. The recruitment of these students, and redoubled efforts to place them after graduation, would enhance the school's ability to attract the most exciting employers to campus, making it easier to recruit the best students in the future. Just as the problems that had hindered the Jones School in the past were seamless, so were the solutions.

As the Jones School began vigorously to pursue this strategy, there were several critical elements that allowed it to succeed. First, there was the full commitment of the university's leadership. President Gillis, the Board of Trustees, and the Council of Overseers now all understood that a newly aggressive pursuit of excellence at the Jones School was essential. Going forward, these groups would make available financial and human resources that quickly made a difference. Second, there was the purposive collaboration of the Jones School faculty. Well before Whitaker's arrival, many of these professors had shared a growing sense that the school's promise was unfulfilled. They had embarked on efforts to develop a new curricular philosophy as early as 1993 and began a self-study the year before the external review. Their vision of a premier center of business education fit well with Whitaker's ideas, and their hard work and commitment to significant change would make his task far easier. Third, there was the generosity of a new generation of Houston business leaders, who saw the need to have available locally the highest quality education for their future and current employees and who understood that the coming changes would be rapid, significant, and expensive.

Upon his arrival at the Jones School, Dean Whitaker reorganized its administration. Robert Westbrook became the associate dean for faculty affairs and Wil Uecker took charge of the executive education programs. Duane

Windsor took charge of the task that was the first order of business—obtaining International Association for Management Education (AACBS) accreditation. Although this step had been discussed at various times over the years, in the Jones School's early days it was rejected because it had at that time the potential to decrease curricular flexibility. After 1986, when the rankings issued by *U.S. News & World Report* and *Business Week* began to have a critical effect on applicants, Dean Bailar favored seeking accreditation but was discouraged by the possibility of failure and the skepticism of the university's administration. Without accreditation, though, the Jones School would not be included in the rankings by these increasingly influential publications. Now, the acknowledged need to create a reputation, coupled with the support of President Gillis and the Rice board, led to an organized effort to win accreditation as soon as possible. This effort succeeded in 1998.

Immediately, the Jones School began to plan for a major jump in enrollment. In 1997 the school had about 225 students. Of these, about seventy percent were from Houston or Texas, about fifteen percent came from other regions in the United States, and another fifteen percent were international students. In order to have enough students to attract significant recruiting attention from companies outside the Houston region, Whitaker believed that enrollment should rise to about 360, with most of the new students coming from outside the area. By 2000, about 300 students were in attendance and the number of applications continued to rise. This increase allowed to school to admit a student body with higher GMAT scores as well as greater geographic and ethnic diversity.

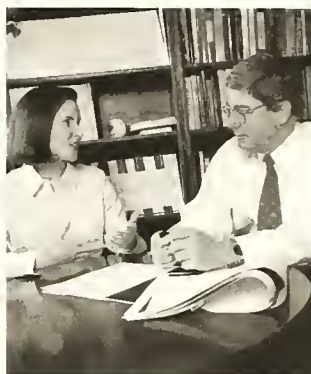
Whitaker also moved aggressively to recruit more faculty. Student/faculty ratios were too high, but it had been becoming increasingly difficult to retain faculty, especially junior faculty, let alone recruit enough new professors to make up the difference. Now, the Jones School began to develop as rapidly as possible a climate that would attract top faculty. Whitaker quickly hired a significant number of new faculty, including some senior people with national reputations. Research productivity was fostered and rewarded. Nurturing an environment that encouraged scholarship, though, remained balanced with a dedication to

1 Gilbert R. Whitaker, Jr
Dean 1997-



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2 Carrie Miller ('97), Director
of the MBA Program, and
Robert A. Westbrook,
Associate Dean for
Faculty Affairs.



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3 Wilfred C. Uecker,
Associate Dean for
Executive Education



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4 Steven C. Currall (left),
Director of the Rice
Alliance for Technology
and Entrepreneurship,
was appointed the first
William and Stephanie
Sick Professor in
Entrepreneurship in
2002. The Sicks endowed
the chair in the George
R. Brown School of
Engineering to facilitate
collaboration between
the Brown School with its
inventions and technology
advances and the Jones
School with its expertise
in the commercialization
of ideas. Bill Sick is a
trustee of the university.
Stephanie Sick is a
member of the Campus
Art Committee



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5 Reliant Energy Action
Learning Project team
meets with Holly Arney
(00) of Reliant (standing
at left) and Shannon
Anderson, the Action
Learning Project Faculty
Director (standing at
right). Team members are
Carlos Navarro (03) and
Arthur Yan (03) standing,
and Vivian Valdepeñas
(03), Petra Kasova (03),
and Grace Jia (03) seated
left to right



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6 Ernie Miller, Director
of Finance, Calpine
Corporation; Carrie
Miller, Director of MBA
Program; Luis Gonzalez
(02); John Montgomery
(02); Ted Lain (02); and
Dymph de Leeuw den
Bouter (02) during the
Calpine Corporation plant
tour as part of their Action
Learning Project



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7 Peter Veruki, Executive
Director of Admissions
and Career Planning
(right), meets with Pearce
Hammond (00) and Julie
Do (00) to discuss career
paths.



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DEAR ACADEMY:
WELCOME TO THE
JONES SCHOOL
FACULTY DIRECTORY
2000

FACULTY AND
STUDENT LIFE



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1. Richard Bagozzi
2. Jennifer George
3. Jones School 2002 faculty
4. Todd Litton ('01) and Greg Broussard ('01)
5. Elena Demianenko ('01), left, with friends at Monte Carlo Night benefiting local and national charities
6. Students and corporate recruiters participate in student-run Jones School Partners Golf Tournament, proceeds benefit Partners Scholarship Fund for gifted MBA students.
7. Rosanne McDonald ('00), standing, helps incoming students Ed Bright ('01) and Carolyn Moore ('01) become oriented to their new environment in the MBA for Executives program.

providing the best possible learning experience for the students. The increase in the number of faculty that served to create a critical mass of researchers also led to a lower student-to-faculty ratio. Students thus benefited from close working relationships with faculty members who had the time to take personal interest in their careers.

Further serving the needs of students, in the 1998-99 academic year the Jones School introduced a new curriculum. Centered on a comprehensive core, it focuses on teaching managerial and leadership skills, ethics, information technology, and communication skills in addition to the standard fundamental and functional areas. A modular format promotes flexibility, and a large number of second-year elective courses allow students to design their Jones School experience to suit their career goals. The most important innovation, though, is the notion, integrated into the entire curriculum, that business education must include practical experience. Moving beyond the classroom into messy business decision making is now a critical part of the Jones School experience. The Action Learning Project, for example, requires student teams to consult full-time with real companies to help craft solutions to real business problems. A second-year required course in entrepreneurship as well as many experience-based electives also give students the opportunity to put their new skills to work in the world of business.

Another major investment made by the Jones School has been in organizational infrastructure. Resources and staff for student placement, admissions, and external affairs were all expanded and upgraded to a level consonant with elite business schools. For example, the Career Planning Center, directed by Peter Veruki, doubled its professional staff. This critical function, key to the recruitment of top students, developed a career planning process that takes advantage of the school's small size while increasing its visibility to major corporate employers. Through individual counseling each student is now assisted from orientation through graduation in the development of a personal strategy and the skills to succeed in the job market. There is a sustained effort to teach job search skills, provide comprehensive information about industries and specific companies, and help create informal networking

opportunities for students. Simultaneously, the school works hard to attract important national companies to recruit Jones School graduates, relying more on the vigorous efforts of the school's public relations staff and on a network of alumni that is steadily increasing in number and in prominence.

The Jones School also introduced a new two-year MBA for Executives in the fall of 1998. This program began with about 100 students, with 50 entering annually. By fall of 2002 it had grown to 150 and starting in the fall of 2002 over 100 students entered each year. The MBA for Executives is taught by the Jones School faculty with the same standards of rigor as the regular MBA program. Its graduates receive the same diploma. Rather than requiring students to attend classes two afternoons a week for three years, as the earlier flex-time program had, the new Executive MBA program holds classes all day on Fridays and Saturdays on alternate weeks, allowing completion in two years. The program is intended for experienced professionals with strong quantitative skills and at least ten years of relevant work experience, and requires employer sponsorship.

Recent years have also seen a significant expansion of interdisciplinary efforts at the Jones School, allowing the school to take advantage of unique resources on the Rice campus and in Houston. The Rice Alliance for Technology and Entrepreneurship brings together students, faculty, and representatives of the business community in a collaborative effort to nurture the development of start-up technology businesses. The school offers two dual degree programs as well. In addition to the MBA/Master of Engineering established in 1990, the Jones School and neighboring Baylor College of Medicine cooperate to prepare students to lead today's complex health-care institutions. The joint MBA/MD gives medical students specialized instruction in health service systems, health-care organizations and operations, and the economics of health care. And over 1600 people took part in executive education classes and conferences during 2001-02.

From the beginning of the renewed effort to make the Jones School a premier national business school, a new and much larger home for the school was contemplated. In part, this was due to the projected increase in

the number of students and faculty. Equally significant was the need to improve the school's educational infrastructure. Advances in technology since the construction of Herring Hall have transformed both management education and business itself. The new building, designed by Robert A. M. Stern, blends Rice's architectural traditions with state-of-the-art facilities. The Jones School's new home has a 14,000-square-foot fully wired Business Information Center providing library resources ranging from books to on-line access, a 450-seat auditorium, career planning and admission suites, a variety of classroom and research space, and a trading floor that duplicates the latest technology available to business and investment firms. Ground was broken on this new building on May 23, 2000, and the school occupied the new space in August 2002.

With the completion of the new building, the Jones School continues to move forward. Efforts to raise endowment funds focus on several critical goals. One is to expand the number of full-time faculty from the current forty-five to sixty, including at least ten senior people with high reputations for scholarship. With 350 full-time MBA students enrolled in the fall of 2002, the school has substantially achieved its goal of a student population of 360. Financial aid for students, endowed chairs for senior faculty, and funds for the new building are being actively sought. Support from foundations, corporations, and many generous individuals are making it possible to raise the Jones School to the highest level of educational endeavor.

While there have been many changes since the first class matriculated in 1977, the mission of the Jones School remains the same today. Intended to be an elite institution for the training of business and government leaders, worthy of Rice's overall reputation and mindful of the community's needs, the school evolved to address the changing realities of the marketplace and of society. Years of slow, incremental progress could not, in the end, keep up with the leaps of technological and social change that gathered momentum as time passed. Even the more radical change that came to the Jones School in the late 1990s cannot be understood as an ultimate solution. The school will continue to transform itself into the future, guiding, creating, and responding to change in the

larger communities of which Rice is a part and becoming more vitally a part of the intellectual life of the university as a whole.

A tradition of excellence is not easily built, nor quickly. Missteps, false starts, changing economic and social conditions, the evolving needs of business and of students alike, inevitable philosophical and political clashes—all are part of the process of building a great institution. The vision and passionate work of many strong-minded people are needed to make such an enterprise succeed. But strong-minded people have built the Houston area into one of the most vibrant centers of business in the United States, and strong-minded people have made Rice University into one of the most respected centers of learning in the nation. Edgar Odell Lovett's vision of a university of the highest order, serving and nurtured by a dynamic community, was achieved only through painstaking work and perseverance. Today the Jones School, effectively combining the talents of Rice and of Houston, stands at the threshold of true excellence.



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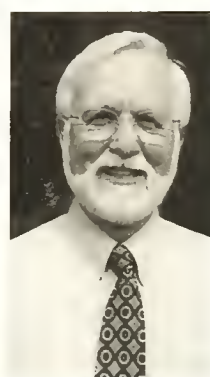
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1. Karen Schneitz, 2002
2. Barbara Ostdiek, 2001
3. Jeff Fleming, 2000
4. David Ikenberry, 1996 and 1999
5. Edward E. Williams, 1984-87, 1990, 1994, and 1998
6. Douglas A. Schuler, 1997
7. Earl Kay Stice, 1995
8. Chi Kin (Bennett) Yim, 1993
9. Richard Viebig, 1992
10. Richard R. Batsell, 1988 and 1991
11. David Ross III, 1989

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Pat Armentor, editor at the Jones School from 1978 to 2000, provided invaluable assistance as photo editor.

Produced by the Office of Public Relations, Jesse H. Jones Graduate School of Management, Rice University. Director: Debra J. Thomas

Designed by Random Sky Studios.

Printed by Chas P. Young Co.

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